

AMENDED IN SENATE APRIL 17, 2007

SENATE BILL

No. 732

Introduced by Senator Steinberg

February 23, 2007

An act to *add Article 3.6 (commencing with Section 1373) to Chapter 4 of Division 2 of the Fish and Game Code, and to amend Sections 75005, 75076, 75076 and 75077 of, and to add Sections 75025.5, 75026.2, 75026.4, 75028.5, 75030.2, 75032.2, 75032.6, 75032.7, 75032.8, 75042, 75043, 75051, 75052, 75056, 75057, 75064, 75067, 75068, 75069, 75070.2, 75076.5, 75078.5, 75079.2, and 75079.4 to Chapter 12 (commencing with Section 75100) to, and Chapter 13 (commencing with Section 75120) to, Division 43 of, the Public Resources Code, and to amend Section 10533 of, and to add Sections 10544 and 10544.5 to, the Water Code, relating to the environment.*

LEGISLATIVE COUNSEL'S DIGEST

SB 732, as amended, Steinberg. Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006.

The

(1) *The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, an initiative statute approved by the voters at the November 7, 2006, statewide general election, among other things, makes \$580,000,000 in bond funds available for improving the sustainability and livability of the state's communities through investment in natural resources.*

~~This bill would, for purposes of those provisions, define "corporation" as an investor-owned public utility regulated by the Public Utilities Commission and would define "local public agency" as a local public~~

~~agency that is a city, county, city and county, special district, corporation, or mutual water company.~~

This bill would require the various departments that are to implement the provisions of the initiative, among other things, to develop and adopt guidelines and regulations, consult with other entities, conduct studies, and follow certain procedures for establishing a project, or grant or loan program implementing the initiative.

The bill would establish the Forestland Conservation Program to protect the state's forestlands in a coordinated effort that maintains productive healthy forests and enhances functional habitats on a broad scale for the purpose of implementing the initiative provisions that make bond funds available for the protection and conservation of forests and wildlife habitat. The bill would create the Forestland Conservation Account in the Wildlife Restoration Fund to receive those moneys.

The bill would create the Sustainable Communities Council in state government, and establish the Sustainable Communities Fund, for receipt of initiative bond funds available for urban greening and planning grants and planning incentives. The bill would specify the council's responsibilities, including responsibilities related to those bond funds.

The bill would require, by January 1, 2009, and on or before January 1 of each year thereafter, each state agency expending funds pursuant to the initiative for a project, grant, or loan to report to the Legislature on the recipient and amount of each project, grant, or loan awarded during the previous fiscal year.

The bill would provide that in any case in which the provisions of the bill and the initiative conflict, the initiative shall prevail.

(2) The Integrated Regional Water Management Planning Act of 2002 defines terms for its purposes, including defining "local public agency" as a city, county, city and county, special district, corporation, or mutual water company.

The bill would revise that definition to delete the inclusion of a corporation in the definition, and to add an investor-owned utility regulated by the Public Utilities Commission in the definition.

The bill would provide that for purposes of a grant program administered by the Department of Water Resources or the State Water Resources Control Board to fund a project or program included in an integrated regional water management plan, specified priorities are included in the statewide priorities.

If the department finds it necessary or desirable to revise or replace the Integrated Regional Water Management Guidelines, the bill would require it to develop new or revised guidelines in consultation with specified entities, and pursuant to other specified provisions enacted by the bill.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Article 3.6 (commencing with Section 1373) is
2 added to Chapter 4 of Division 2 of the Fish and Game Code, to
3 read:

4
5 Article 3.6. Forestland Conservation Program
6

7 1373. The Forestland Conservation Program is hereby
8 established to protect California's forestlands in a coordinated
9 effort that maintains productive healthy forests and enhances
10 functional habitats on a broad scale and for the purposes of
11 implementing Section 75055 of the Public Resources Code.

12 1373.2. The Forestland Conservation Account is hereby created
13 in the Wildlife Restoration Fund. The account shall be administered
14 by the Wildlife Conservation Board to carry out the purposes of
15 the Forestland Conservation Program. Moneys available from
16 subdivision (a) of Section 75055 of the Public Resources Code
17 shall be deposited in this account.

18 1373.4. Moneys in the account may be expended by the Wildlife
19 Conservation Board for the acquisition and restoration of property
20 pursuant to the authority granted to the board under Section 1348.

21 1373.6. The Wildlife Conservation Board shall develop
22 eligibility guidelines to distribute grants from the Forestland
23 Conservation Account to a state agency, local public agency, or
24 nonprofit organization for the acquisition of conservation
25 easements and fee interests in real property and restoration of
26 forest properties. In developing these guidelines, the board shall
27 consult with the Department of Forestry and Fire Protection and
28 other public stakeholders. The guidelines shall require a grant
29 agreement to clearly state the purposes of the conservation effort,
30 establish baseline conditions on the property, and include

1 *procedures to regularly monitor the property to ensure compliance*
2 *with the grant agreement.*

3 *1373.8. (a) The Forest Conservation Program shall, at a*
4 *minimum, include all of the following:*

5 *(1) A primary emphasis on productive managed forestlands.*

6 *(2) Permanent protection of the forest.*

7 *(3) Restoration efforts that contribute towards the ecological*
8 *integrity and economic stability of the native forest on protected*
9 *lands.*

10 *(b) The eligibility guidelines shall, at a minimum, require all*
11 *of the following:*

12 *(1) The project will protect, restore, or enhance a forestland.*

13 *(2) Acquisitions of any interest in real property will be from a*
14 *willing seller.*

15 *(3) Restoration projects will be on permanently protected land.*

16 *(4) The project advances the ecological integrity of the property*
17 *and its surrounding landscape.*

18 *(5) The project will advance economic stability and address*
19 *economic efficiency.*

20 *(c) The Wildlife Conservation Board shall give additional*
21 *consideration to projects that will manage the land in a manner*
22 *that beneficially reduces or sequesters greenhouse gases using*
23 *policies, protocols, or other relevant information developed by the*
24 *California Climate Action Registry and the State Air Resources*
25 *Board.*

26 *SEC. 2. Section 75076 of the Public Resources Code is*
27 *amended to read:*

28 *75076. Chapter 3.5 (commencing with Section 11340) of Part*
29 *1 of Division 3 of Title 2 of the Government Code does not apply*
30 *to the development and adoption of program guidelines and*
31 *selection criteria adopted pursuant to this ~~chapter~~ division.*

32 *SEC. 3. Section 75077 of the Public Resources Code is*
33 *amended to read:*

34 *75077. Funds provided pursuant to this ~~chapter~~ division, and*
35 *any appropriation or transfer of those funds, shall not be deemed*
36 *to be a transfer of funds for the purposes of Chapter 9 (commencing*
37 *with Section 2780) of Division 3 of the Fish and Game Code.*

38 *SEC. 4. Chapter 12 (commencing with Section 75100) is added*
39 *to Division 43 of the Public Resources Code, to read:*

CHAPTER 12. IMPLEMENTATION PROVISIONS

Article 1. General Provisions

75100. (a) (1) On or before March 15, 2008, each state agency disbursing a grant or loan pursuant to this division shall develop project solicitation and evaluation guidelines. The guidelines may include a limitation on the size of a grant or loan to be awarded.

(2) Prior to disbursing a grant, each state agency shall conduct two public meetings to consider public comments prior to finalizing the guidelines. Each state agency shall publish the draft solicitation and evaluation guidelines on its Internet Web site at least 30 days before the public meetings. One meeting shall be conducted at a location in Northern California and one meeting shall be conducted at a location in Southern California. Upon adoption, each state agency shall transmit copies of the guidelines to the fiscal committees and the appropriate policy committees of the Legislature. To the extent feasible, each state agency shall provide outreach to disadvantaged communities to promote access and participation in those meetings.

(3) (A) Subject to subparagraph (B), the guidelines may include a requirement for matching funds.

(B) A state agency shall not require matching funds for the purposes of awarding a grant financed by this division to assist a disadvantaged community.

(4) The guidelines shall require a new grant solicitation for each funding cycle. Each funding cycle shall consider only those applications received as a part of the solicitation for that funding cycle.

(b) Notwithstanding subdivision (a), a state agency, in lieu of adopting guidelines pursuant to subdivision (a), may use guidelines existing on January 1, 2007, to the extent those guidelines conform to the applicable requirements of this division.

75101. (a) For the purposes of implementing Section 75025, the State Department of Health Care Services shall do all of the following:

(1) Develop guidelines pursuant to Section 75100 in collaboration with the Department of Toxic Substances Control and the state board.

1 (2) *In collaboration with the Department of Toxic Substances*
2 *Control and the state board, develop and adopt regulations*
3 *governing the repayment of costs that are subsequently recovered*
4 *from parties responsible for the contamination.*

5 (b) *For the purposes of implementing subdivision (a) of Section*
6 *75050, the Department of Fish and Game shall develop guidelines*
7 *pursuant to Section 75100, to distribute grants. The guidelines*
8 *shall include a requirement that a grant requesting funds for the*
9 *development of a natural community conservation plan shall be*
10 *consistent with the Natural Community Conservation Planning*
11 *Act (Chapter 10 (commencing with Section 2800) of Division 3 of*
12 *the Fish and Game Code).*

13 75102. *Before the adoption of a negative declaration or*
14 *environmental impact report required under Section 75070, the*
15 *lead agency shall refer the proposed action to a California Native*
16 *American tribe, which is on the contact list maintained by the*
17 *Native American Heritage Commission, if that tribe has traditional*
18 *lands located within the area of the proposed project.*

19 75103. *It is the intent of the Legislature that any public funds*
20 *made available by this division to investor-owned utilities regulated*
21 *by the Public Utilities Commission should be for the benefit of the*
22 *ratepayers and not the investors pursuant to oversight by the Public*
23 *Utilities Commission.*

24 75104. *State agencies that are authorized to award a loan or*
25 *grant financed by this division shall provide technical assistance*
26 *with regard to the preparation of an application for a loan or grant*
27 *in a manner that, among other things, addresses the needs of*
28 *economically disadvantaged communities.*

29
30 Article 2. Flood Provisions

31
32 75105. *Inspections and evaluations pursuant to subdivision*
33 *(a) of Section 75032 shall include seismic evaluation of those flood*
34 *control project facilities that are not a part of the state plan for*
35 *flood control.*

36 75106. *For purposes of complying with the Public Contract*
37 *Code, expenditures funded pursuant to Sections 75031, 75032,*
38 *and 75033 shall be deemed to be in response to an emergency.*

39 75107. *Contracts funded pursuant to Sections 75031, 75032,*
40 *and 75033 shall provide for the payment of extra compensation*

1 to the contractor, as a bonus for completion prior to the time
2 specified in the contract. This provision shall be included in the
3 specifications and shall clearly set forth the basis for the payment.

4 75108. In addition to the provisions of Article 1 (commencing
5 with Section 75100), a grant program that provides funds from
6 Chapter 3 (commencing with Section 75030) to rehabilitate,
7 reconstruct, replace, improve, or construct new flood levees or
8 other management facilities shall comply with this section.

9 (a) Eligible projects may include, but are not limited to, any of
10 the following:

11 (1) The construction or improvements of weirs, bypasses, and
12 channels.

13 (2) The construction of levees, such as setback or backup levees.

14 (3) The construction of levee improvements, referred to as “levee
15 strengthening” or “levee modifications,” to control seepage,
16 erosion, and slope stability problems, including, but not limited
17 to, deep slurry cutoff walls, cutoff trenches, drainage blankets, toe
18 drain, seepage and stability berms, relief wells, levee armoring,
19 levee toe stabilization, levee widening, and streambank protection
20 measures.

21 (4) Raising existing levees to reduce the risk of overtopping and
22 to correct freeboard deficiencies.

23 (5) The modification or reoperation of existing dams and
24 waterworks, including spillways, outlets, or other related capital
25 outlay facilities, for the purpose of improving low-level discharge
26 and flood control storage capacity.

27 (b) Eligible components of projects may include, but are not
28 limited to, any the following:

29 (1) The construction of detention basins necessary for project
30 function.

31 (2) Removal of structures located within the project area.

32 (3) Relocation or reinforcement of utilities within the project
33 area.

34 (4) The installation of tailwater suppression systems, drainage
35 improvements for flood control systems, flood warning systems,
36 and telemetry devices.

37 (5) The purchase of project-required lands, easements, and
38 rights-of-way.

39 (6) Capital costs of project-related environmental mitigation.

1 (c) *Costs required for implementation of the project incurred*
2 *by the grantee that are eligible for credit toward the required cost*
3 *share or for reimbursement include, but are not limited to, all of*
4 *the following:*

5 (1) *The reasonable costs of engineering, design, land*
6 *acquisition, acquisitions of easements, and relocations incurred*
7 *after November 7, 2006, and after completion of compliance with*
8 *the California Environmental Quality Act (Division 13*
9 *(commencing with Section 21000)).*

10 (2) *Legal fees incurred after November 7, 2006.*

11 (3) *The fair market value of land contributed to the project that*
12 *was acquired after November 7, 2006, including, but not limited*
13 *to, associated appraisal and entitlement transfer costs.*

14 (4) *Environmental mitigation incurred after November 7, 2006.*

15 (5) *Project construction costs incurred after the effective date*
16 *of the grant agreement, or such costs authorized in writing, before*
17 *incurring the costs, between the funding commitment date and the*
18 *effective date of the grant agreement.*

19 (d) *Costs that are not eligible for credit or reimbursement*
20 *include, but are not limited to, all the following:*

21 (1) *Costs incurred on or before November 7, 2006.*

22 (2) *Operation and maintenance costs, including post*
23 *construction project performance and monitoring costs.*

24 (3) *Purchase of equipment that is not an integral part of the*
25 *project.*

26 (4) *Establishing a reserve fund.*

27 (5) *Replacement of existing funding sources for ongoing*
28 *projects.*

29 (6) *Support of existing agency requirements and mandates.*

30 (7) *Purchase of land in excess of the minimum required acreage*
31 *necessary to operate as an integral part of the project, as set forth*
32 *and detailed by engineering and feasibility studies.*

33 (e) *A Project shall meet all of the following criteria:*

34 (1) *Be critically needed or otherwise significantly maximize*
35 *public benefits, enhance public safety, and reduce state liability.*

36 (2) *Be ready for early implementation and need funding in the*
37 *budget year to maintain or accelerate the design or construction*
38 *schedule.*

39 (3) *Be economically feasible, taking into account both local and*
40 *system-wide benefits.*

1 (4) *If a project protects an existing urban area, there shall be*
2 *a strategy by the local agency for achieving 200-year or better*
3 *flood protection for the area and the project fits into the strategy.*

4 (5) *If a project protects a nonurban area, it shall restore the*
5 *design level of flood protection where feasible, consistent with*
6 *nonurban uses such as agriculture, open space, and habitat in the*
7 *protected area.*

8 (6) *A project shall improve a levee in place, only because it is*
9 *clearly infeasible to move the levee or there are no significant*
10 *flood risk management benefits to moving the levee.*

11 (7) *A project shall take advantage of any feasible opportunities*
12 *to provide additional room for the river to meander, enhancing*
13 *channel capacity, reducing maintenance, and providing regional*
14 *flood risk management and environmental benefits.*

15 (8) *The local agency shall have a sound financial strategy and*
16 *plan to fund its cost-share to build the project and to then maintain*
17 *the completed project.*

18 (9) *The local agency shall agree to provide a detailed emergency*
19 *response plan acceptable to the department.*

20 (10) *All cities and counties in the protected area shall formally*
21 *acknowledge the flood risk.*

22 75109. *In addition to the provisions of Article 1 (commencing*
23 *with Section 75100), a grant program that provides funds from*
24 *Chapter 3 (commencing with Section 75030) for geotechnical*
25 *exploration and evaluation of existing levees shall comply with*
26 *this section.*

27 (a) *Eligible projects include, but are not limited to, geotechnical*
28 *exploration of existing levees and evaluation of the collected data*
29 *with regard to stability, seepage, underseepage, and seismic*
30 *vulnerability.*

31 (b) *Eligible components of projects may include, but are not*
32 *limited to, all of the following:*

33 (1) *Conducting rotary wash drilling, core drilling, core*
34 *penetration, or other acceptable tests.*

35 (2) *Performing laboratory tests on the resulting samples.*

36 (3) *Performing engineering analyses of seepage and stability*
37 *and reporting on the resulting data.*

38 (c) *Costs that are not eligible for credit or reimbursement*
39 *include, but are not limited to, costs incurred on or before*
40 *November 7, 2006.*

1 (d) *Projects shall meet all of the following criteria:*

2 (1) *The project would be a geotechnical evaluation of a levee.*

3 (2) *The applicant or lead applicant is responsible for flood*
4 *control in the project area.*

5 (3) *The applicant or lead applicant is qualified to contract with*
6 *the state.*

7 (4) *The applicant has submitted a satisfactory finance plan.*

8 75109.5. *The department shall collaborate with the*
9 *Reclamation Board in developing guidelines pursuant to Section*
10 *75100 for a grant program that would fund projects that are a*
11 *part of the state plan for flood control.*

12
13 Article 3. *Statewide Water Planning and Design*

14
15 75110. *In implementing Chapter 4 (commencing with Section*
16 *75041), the department, in collaboration with the Army Corps of*
17 *Engineers and the operators of the flood control and water supply*
18 *facilities that affect the operation of the state plan for flood control,*
19 *shall do both of the following:*

20 (a) (1) *Conduct a study to reduce flood risks and increase water*
21 *supply reliability, throughout the Sacramento River and San*
22 *Joaquin River watersheds by reoperating the existing flood*
23 *management and water supply facilities.*

24 (2) *The study required by this subdivision shall also investigate*
25 *options to do all of the following:*

26 (A) *Optimize the conjunctive use of groundwater basins with*
27 *flood management and water supply facilities.*

28 (B) *Improve water quality.*

29 (C) *Improve fish, wildlife, and habitat protection and*
30 *restoration.*

31 (3) *The department shall complete the study on or before July*
32 *1, 2009, and present a report describing the results of the study*
33 *to the Legislature.*

34 (b) *Develop a real-time flood forecasting model, integrating*
35 *the operations of flood control facilities that affect the operation*
36 *of the state plan for flood control. The model shall be capable of*
37 *both real-time forecasts and simulations for alternative operational*
38 *scenarios and shall be operational on or before November 1, 2009.*

39 75111. *In implementing Chapter 4 (commencing with Section*
40 *75041), the department shall, in concert with the lead scientist of*

1 *the California Bay-Delta Authority and the Independent Science*
2 *Board, develop two or more hydrology data sets designed to*
3 *evaluate plausible climate change scenarios. Upon development*
4 *of the hydrology data sets, the department shall, within one year*
5 *from the date when those data sets are developed, update the*
6 *studies developed pursuant to this article to reflect the climate*
7 *change hydrology data sets and report the results to the*
8 *Legislature.*

10 *Article 4. Parks and Museums Provisions*

11
12 *75112. (a) The Department of Parks and Recreation shall*
13 *develop guidelines for a competitive grant program to allocate*
14 *funds made available from subdivision (b) of Section 75063. The*
15 *guidelines shall be developed pursuant to Section 75100.*

16 *(b) Eligible parties may include public institutions and nonprofit*
17 *organizations that have missions that meet one or more of the*
18 *following objectives:*

19 *(1) To combine the study of natural science with preservation.*
20 *(2) To serve diverse populations with demonstration and*
21 *educational programs.*

22 *(3) To provide collections and programs involving the*
23 *relationship of Native American cultures to the environment.*

24 *(4) To research marine wildlife conservation.*

25 *(c) Eligible projects may include facilities and equipment for*
26 *nature education and research. Grants shall not be awarded for*
27 *interpretation or other ongoing activities.*

28 *(d) Additional consideration shall be given to projects that will*
29 *do any of the following:*

30 *(1) Serve underserved communities, including neighborhoods*
31 *with high rates of poverty, limited access to parks and nature*
32 *education facilities, or low-educational achievement.*

33 *(2) Include cooperation with public education institutions to*
34 *increase accessibility to the facility.*

35 *(3) Provide matching funds from nonstate sources.*

36 *(4) Utilize the United States Green Building Council's building*
37 *standards.*

38 *(e) The guidelines shall allow for several granting cycles over*
39 *a period of five years.*

1 75113. (a) For the purposes of implementing subdivision (b)
2 of Section 75065, and subdivision (d) of Section 53545 of the
3 Health and Safety Code, it is the intent of the Legislature to
4 distribute funds fairly among all Californians in a competitive
5 grant process led by the Department of Parks and Recreation.

6 (b) In addition to the requirements of Section 75100, a grant
7 program to distribute these funds, at a minimum, shall do all of
8 the following:

9 (1) Include criteria to enable applicants to illustrate how their
10 project is meeting the intent of the program and funding source.

11 (2) Include mechanisms to allow departmental oversight.

12 (3) Include cities, counties, special districts, and nonprofit
13 organizations as eligible applicants.

14 (4) Fund a balance of passive and active recreational
15 opportunities.

16 (5) Fund both new parks and new opportunities.

17 (c) Eligible projects include, but are not limited to, open space,
18 public parks, park facilities, environmental youth service centers,
19 gymnasiums, sports fields, and recreation areas created by the
20 redesign and retrofit of urban freeways.

21 (d) All funds shall be available through three competitive
22 programs. Each program shall consist of projects that are located
23 in counties of similar populations. Each program shall receive a
24 portion of allocated funds equal to its share of the state's
25 population. The three programs shall divide counties into the
26 following groups:

27 (1) Nonurbanized counties with populations less than or equal
28 to 200,000 people.

29 (2) Urbanized counties with populations greater than 200,000
30 but less than 1,000,000 people.

31 (3) Heavily urbanized counties with populations greater than
32 1,000,000 people.

33 (e) The department shall give additional consideration to all of
34 the following:

35 (1) Projects that are a component of an existing local or
36 regional plan, including a general plan or a regional blueprint.

37 (2) Applicants that actively involve community based groups in
38 the selection and planning of projects.

39 (3) Projects that facilitate joint use of public resources and
40 investment, including, but not limited to, public schools.

1 (4) *Projects that provide efficient use of water and other natural*
2 *resources, such as through the United States Building Council's*
3 *Green building standards.*

4 (f) *Preference shall be given to projects that create parks in*
5 *neighborhoods where none currently exist or expand overused*
6 *parks.*

7 (g) *The department may develop a separate set of guidelines*
8 *for the awarding of moneys made available from Section 53545*
9 *of the Health and Safety Code that add housing related*
10 *requirements in addition to other requirements listed in this section.*

11
12 Article 5. *Sustainable Communities, Climate Change Reduction,*
13 *and Wildlife Conservation*
14

15 75114. (a) *The Sustainable Communities Council is established*
16 *in state government. The council consists of the Secretary of the*
17 *Resources Agency, the Secretary for Environmental Protection,*
18 *the Secretary of Business, Transportation and Housing , and two*
19 *members of the public appointed by the Governor.*

20 (b) *The two public members shall each serve a term of four*
21 *years and may be reappointed to one additional term. The public*
22 *members shall be appointed on the basis of their educational and*
23 *professional qualifications and their general knowledge of and*
24 *interest in sustainable community planning.*

25 (c) *Except as provided in this section, members of the council*
26 *shall serve without compensation. A member shall be reimbursed*
27 *for actual and necessary expenses incurred in the performance of*
28 *his or her duties, and in addition shall be compensated at one*
29 *hundred dollars (\$100) for each day during which the member is*
30 *engaged in the performance of official duties of the council.*
31 *Payment for actual and necessary expenses shall be paid only to*
32 *the extent that those expenses are not provided or payable by*
33 *another public agency. The total number of days for which a*
34 *member may be compensated shall not exceed 25 days in any one*
35 *fiscal year.*

36 (d) *The Sustainable Communities Fund is hereby established.*
37 *Funds made available from subdivisions (a) and (c) of Section*
38 *75065 shall be deposited in this fund.*

39 75115. *The Secretary of the Resources Agency is the chair of*
40 *the council.*

1 75116. *One member of the Senate, appointed by the Senate*
2 *Committee on Rules, and one Member of the Assembly, appointed*
3 *by the Speaker of the Assembly, shall meet with the council as*
4 *nonvoting, ex officio members.*

5 75117. (a) *The council's meetings shall be open to the public.*

6 (b) *The council may sponsor conferences, symposia, and other*
7 *public forums, to seek a broad range of public advice when*
8 *establishing priorities for land use, community, and natural*
9 *resource planning.*

10 75118. *The council shall do all of the following:*

11 (a) *Coordinate activities of state agencies that can improve air*
12 *and water quality, natural resource protection, affordable housing,*
13 *and transportation, through land use planning.*

14 (b) *Develop guidelines for regional and local growth plans that*
15 *will serve as the preferred growth strategy for the region and the*
16 *basis for all land use allocation and regional transportation plans.*
17 *These regional or local growth plans shall include measures*
18 *needed to do all of the following:*

19 (1) *Meet applicable air quality implementation plans.*

20 (2) *Reduce vehicle miles traveled per household and traffic*
21 *congestion.*

22 (3) *Increase average density for new residential areas to*
23 *accommodate the expected population increase within the planning*
24 *region.*

25 (4) *Identify and protect viable wildlife habitat, agricultural*
26 *areas, scenic areas, and other natural resources.*

27 (5) *Provide parks, recreation areas, and facilities throughout*
28 *the community.*

29 (6) *Plan urban trails that provide safe routes for both recreation*
30 *and for travel between residences, schools, commercial centers,*
31 *and workplaces.*

32 (7) *Reduce water and energy consumption.*

33 (8) *Reduce greenhouse gas emissions consistent with the*
34 *California Global Warming Solutions Act of 2006 (Division 25.5*
35 *(commencing with Section 38500) of the Health and Safety Code).*

36 (9) *Increase adaptability to climate change impacts.*

37 (10) *Actively involve the public in the development and*
38 *implementation of the growth plan.*

39 (11) *Revitalize urban and community centers.*

1 (c) *Develop and implement a grant program to support planning*
2 *efforts for plans consistent with subdivision (b). Grants for this*
3 *purpose shall be funded from moneys in the Sustainable*
4 *Communities Fund that were made available from subdivision (c)*
5 *of Section 75065.*

6 (d) *Develop and implement a grant program for urban greening*
7 *projects, which are defined to be projects that provide multiple*
8 *community benefits, including improving energy conservation,*
9 *improving water and air quality, and reducing water consumption.*
10 *These projects shall aim to protect the environment while*
11 *improving the quality of life for residents. Grants for this purpose*
12 *shall be funded from monies in the Sustainable Communities Fund*
13 *that were made available from subdivision (a) of Section 75065.*

14 (1) *Eligible projects include, but are not limited to, all of the*
15 *following:*

16 (A) *Projects that are part of a local or regional growth plan*
17 *consistent with subdivision (b).*

18 (B) *Installation of permeable surfaces that reduce stormwater*
19 *runoff, improve water quality, and provide open or recreational*
20 *space.*

21 (C) *Vegetation projects that provide cooling and reduce*
22 *stormwater runoff.*

23 (D) *Urban forestry projects pursuant to the California Urban*
24 *Forestry Act of 1978 (Chapter 2 (commencing with Section*
25 *4799.06) of Part 2.5 of Division 4).*

26 (E) *Planning and building urban trails that provide safe routes*
27 *for both recreation and travel between residences, schools,*
28 *commercial centers, and workplaces.*

29 (2) *Priority shall be given to projects that use existing public*
30 *lands, serve communities with the greatest need, and facilitate*
31 *joint use of public resources and investments including schools.*

32 (e) *Recommend policies to the Legislature and to appropriate*
33 *state agencies that will encourage local governments to develop*
34 *growth plans under subdivision (b).*

35 75119. (a) *For the purposes of implementing paragraph (4)*
36 *of subdivision (d) of Section 75055, the board shall develop grant*
37 *guidelines pursuant to Section 75100. Eligible applicants may*
38 *include cities, counties, nonprofit organizations, or resource*
39 *conservation districts.*

1 (b) Eligible projects shall include, but are not limited to,
2 research, development of best management practices, and purchase
3 of educational and training materials that integrate agricultural
4 activities with ecosystem restoration and habitat protection.

5 (c) The grant program shall give additional consideration for
6 projects that occur on lands under permanent conservation or
7 agricultural easements.

8 (d) The board shall encourage grant applications for a wide
9 range of agricultural activities representative of the range of
10 agricultural activities in the state.

11 SEC. 5. Chapter 13 (commencing with Section 75120) is added
12 to Division 43 of the Public Resources Code, to read:

13
14 *CHAPTER 13. REPORTING PROVISIONS*

15
16 75120. On or before January 1, 2009, and on or before January
17 1 of each year thereafter, each state agency expending funds
18 pursuant to this division for a project, grant, or loan shall report
19 to the Legislature on the recipient and amount of each project,
20 grant, or loan awarded during the previous fiscal year. The
21 information shall include the total amount awarded, categorized
22 by project, grant, or loan, the geographic distribution of a project,
23 grant, or loan awarded under this division, and the intended public
24 and environmental benefit that the award provides. The information
25 also shall include data on the balance of a fund available under
26 this division for expenditures and grants in that fiscal year and
27 future fiscal years.

28 SEC. 6. Section 10533 of the Water Code is amended to read:

29 10533. "Local public agency" means any city, county, city and
30 county, special district, ~~corporation~~ investor-owned utility regulated
31 by the Public Utilities Commission, or mutual water company.

32 SEC. 7. Section 10544 is added to the Water Code, to read:

33 10544. For purposes of a grant program administered by the
34 department or the board to fund a project or program included in
35 an integrated regional water management plan, statewide priorities
36 include all of the following:

37 (a) State planning priorities established in Section 65041.1 of
38 the Government Code.

39 (b) State water recycling goals established in Section 13577.

1 (c) Improving public trust resources above that required by
2 statute, court order, or regulatory order, or for project mitigation.

3 (d) Aiding disadvantaged communities.

4 (e) Addressing persistent and historic environmental
5 contaminants.

6 (f) Other environmental enhancements not otherwise required
7 by statute, court order, or regulatory order, or for project
8 mitigation.

9 (g) Reducing exports of water out of the watershed of origin.

10 (h) Assisting in meeting objectives of programs funded pursuant
11 to the Highway Safety, Traffic Reduction, Air Quality, and Port
12 Security Bond Act of 2006 (Chapter 12.49 (commencing with
13 Section 8879.20) of Division 1 of Title 2 of the Government Code),
14 the Housing and Emergency Shelter Trust Fund Act of 2006 (Part
15 12 (commencing with Section 53540) of Division 31 of the Health
16 and Safety Code), or the Kindergarten-University Public Education
17 Facilities Bond Act of 2006 (Part 69 (commencing with Section
18 101000) of the Education Code).

19 SEC. 8. Section 10544.5 is added to the Water Code, to read:

20 10544.5. If the department finds it necessary or desirable to
21 revise or replace the Integrated Regional Water Management
22 Guidelines, it shall do both of the following:

23 (a) Develop new or revised guidelines in consultation with the
24 board, the California Bay-Delta Authority, the Department of Fish
25 and Game, and the State Department of Health Care Services.

26 (b) Develop new or revised guidelines pursuant to Section 75100
27 of the Public Resources Code.

28 SEC. 9. The Legislature intends to appropriate funding for
29 grants or loans from the funds made available by subdivision (c)
30 of Section 75065 to cities and other local agencies to complete or
31 update local coastal programs consistent with Chapter 6
32 (commencing with Section 30500) of Division 20 of the Public
33 Resources Code.

34 SEC. 10. In any case in which any of the provisions of this act,
35 and Division 43 (commencing with Section 75001) of the Public
36 Resources Code conflict, that division shall prevail.

37 SEC. 11. The provisions of this act are severable. If any
38 provision of this act or its application is held invalid, that invalidity
39 shall not affect other provisions or applications that can be given
40 effect without the invalid provision or application.

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**All matter omitted in this version of the bill
appears in the bill as introduced the Senate,
February 23, 2007 (JR11)**

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